November 28, 2014

Honourable Eric Robinson
Department of Aboriginal and Northern Affairs
344-450 Broadway
Winnipeg MB R3C 0V8

Dear Minister Robinson:

I am pleased to provide you the 2014 Aboriginal and Northern Affairs Capital Approval Board Report. The board convened at the Viscount Gort, Winnipeg, Manitoba on September 23, 2014.

This report includes:

1. Minutes of the meeting
2. List of recommended projects
3. List of continuous improvement recommendations

The 2014 Capital Approval Board (CAB) is recommending ten (10) projects for a total value of $4,639,992.00. Category I Legislative; five (5) projects are recommended internally by staff for a total of $4,412,000.00, for delivery in 2016/2017. Category I projects are presented to CAB members who do not vote or review applications.

Category II Maintaining/Replace Existing Infrastructure; five (5) projects are recommended by the CAB members and for a total of $227,992.00 for delivery in fiscal year 2015/2016. There were no projects recommended in Category III New Infrastructure.

In closing, I would like to thank you for the opportunity to work with the board members and departmental staff.

Yours truly,

Gerard Jennissen, Chair
Capital Approval Board

Enclosure (Report)
cc. Board Members

Capital Approval Board Report

September 2014

Membership 2014 Capital Approval Board

CHAIR
Gerard Jennissen
Box 234
Cranberry Portage, MB R0B 0H0

Northern Association of Community Councils

President
Reg Meade, Mayor
750-331 Smith Street
Winnipeg, MB R3B 2G9

Community Elected Representatives

Northern Representative
Cristo Spiess, Mayor
Norway House Community Council
Box 5100
Norway House, MB R0B 1B0

Eastern Representative
Bernel Helgason, Mayor
Incorporated Community of Seymourville
Box 2568
Wanipigow, MB R0E 2E0

Western Representative
Lorne Huhala, Councillor
Mallard Community Council
Box 39
Duck Bay, MB R0L 2C0

Departmental Representatives

Northern Region
Armand Barbeau, Director
Jianjun Peng, Manager T&PW
Box 27, 59 Elizabeth Drive
Thompson, MB R8N 1X4

North Central Region
Karen Barker, Director
Albert Sandberg, Manager T&PW
27 Second Avenue
Dauphin, MB R7N 3E5

Capital Approval Board Report

September 2014

Section I
Project Assessment

Section II
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Section III
Funding

Section IV
Recommended Projects

Section I

Project Assessment

Category I – Legislative Category – Internal Approval
2016/2017 Delivery Year

NORTHERN REGION			
Legislative			
Community	**Project**	**Cost**	**Comments**
Cormorant	Lagoon Construction Phase 1	1,000,000.0	
Cormorant	WTP South Upgrade	280,000.0	
Gods Lake Narrows	STP Construction Phase 2	1,752,000.0	
Norway House	WDS Phase 1	1,080,000.0	
Norway House	Lagoon Upgrade (E&D)	300,000.0	
	Total Recommended Amount	**$4,412,000.0**	

*** North Central Region - no projects moving forward in this category**

Category II – Maintaining Existing Infrastructure
2015/2016 Delivery Year

NORTHERN REGION				
Maintain/Replace Existing				
Community	**Project**	**Cost**	**Score**	**Comments**
Cross Lake	Turn Out Gear	32,752.0	95	Recommended
Norway House	Raw Water Intake	69,384.0	70	Recommended
	Total Recommended Amount	**$102,136.0**		

NORTH CENTRAL REGION				
Maintain/Replace Existing				
Community	**Project**	**Cost**	**Score**	**Comments**
Berens River	PW Truck Replacement	14,156.0	70	Recommended
Berens River	Sewer Truck	59,773.0	65	Recommended
Pine Dock	Sewer Truck Replacement	51,927.0	65	Recommended
Pine Dock	Tractor Skid Steer	35,839.0	0	Removed (see minutes)
	Total Recommended Amount	**$125,856.0**		
	Grand Total Recommended Amount	**$227,992.0**		

Category III – New Infrastructure
2015/2016 Delivery Year

NORTHERN REGION				
New Infrastructure				
Community	**Project**	**Cost**	**Score**	**Comments**
Wabowden	Wheeled Excavator with Attachment	325,001.0	30	Not recommended
	Total Recommended Amount	**$0**		

*** North Central Region - no projects moving forward in this category**

Section II

Minutes

Capital Approval Board
Minutes
September 23, 2014
Viscount Gort, Winnipeg, MB

The meeting was called to order at 8:45 am.

1. The following resource material was reviewed by all present:

    1. Agenda
    2. The Loans Act
    3. Departmental Vision and Mission
    4. Capital Program Policy
        - Board Principles
        - Project Criteria
        - Building Funding Principles
        - Surplus Funding and Carry Over Funding Principles
    5. Definition of Municipal Services
    6. Vehicle Replacement Policy
        - Vehicle Replacement Guidelines
    7. Guidelines for Community Municipal Infrastructure
    8. Project Assessment Form
    9. Allocation of funds for 2015/2016
    10. Recommendations for Continuous Improvement

2. The Departmental Five-Year Capital Plan was presented by Albert Sandberg and Jianjun Peng.

3. Board members agreed to using a sliding scale (0, 5, 10, 15) for questions found in the Need portion of the Project Assessment Form. The Board also agreed to a sliding scale (0, 5, 10, 15, 20, 25) for the question, "how critical is this project".

4. The Board agreed that a group rating method would be followed and decisions would be determined by a consensus of the members. If consensus could not be reached, a second democratic vote would occur.

5. Board members were advised that to avoid conflict of interest issues, board members can be present for project presentation but must leave the room for the project assessment rating if the project is from their home community.

6. The Board assessed all projects submitted utilizing the project assessment form provided. Recommendations were made based on the completeness of applications and available funding. Applications also must receive a score of 55 points or better when assessed.

Category II – Maintaining/Replacing Existing Infrastructure		
Community	**Project**	**Amount**
Berens River	PW Truck Replacement	14,156.0
Berens River	Sewer Truck	59,773.0
Cross Lake	Turn Out Gear	32,752.0
Norway House	Raw Water Intake	69,384.0
Pine Dock	Sewer Truck Replacement	51,927.0
	Subtotal	**$227,992.0**
Category III – New Infrastructure		
There are no projects recommended to move forward in this category		
	Subtotal	**$0**
	Total	**$227,992.0**

7. Armand Barbeau, Director, Northern Region, requested the board consider screening the project application submission; Easterville - Metal Roofing on Fire Hall. The project was pre-screened in August and it was determined that the project submission was lacking required essential criteria and would not move forward on to the CAB. The board concluded they would not assess the project submission at the sitting of the September board.

8. The board made the decision to remove the project application submission; Pine Dock - New Tractor Skid Steer prior to assessment. It was determined the project submission lacked required essential criteria not identified at the August screening.

9. The Board provided the following recommendations for continuous improvement for the Department to consider:

   - The capital program process be added to the community calendar.
   - Applicable dates be added to the CAO/Contact Person functions in the appropriate policies.
   - Communities request direct costs for application item(s) only. No taxes, contingency and inflation rates. The Department will add the taxes, contingency and inflation rates in the fiscal year the project is being delivered.

- The department look into the current process of how quotes are obtained/applied and investigate additional options (reluctance of contractors to provide quotes).
- Emergencies: environmental issues should be brought forth to the regional office.
- The strategic planning portion of the assessment sheet should be a sliding scale at the discretion of the board.
- Reword "commitment" on the project assessment sheet, greater definition be provided allowing reserves be a prior commitment.
- A baseline for projects moving forward be set at 55 out 110 for a total of 50% of possible points in order for a project application submission to be recommended.
- The department expand on the word "internal" on the project assessment sheet, providing a greater definition of what determines "internal".
- Leave the per-diems alone for the CAB process and not try cut back.
- Applications at the regional pre-screening in August with a "minor error" be recommended to move forward conditionally.
- The CAB members meeting in September have the option to place conditions on capital project applications at the boards discretion for the ministers approval.

8. The meeting was adjourned at 4:15 pm on September 23, 2014.

Section III

Funding Allocation

2014/2015 Allocation for Planning Purposes Only

The possible full year allocation as per the Loans Act is $3,000,000.00 and may be approved in any of the two categories as long as they do not go over the total yearly allocation.

Total Funds Available		**$3,000,000.00**
1. Maintain Existing Standards of Service	- 20%	2,000,000.00
2. New Justified Projects	- 10%	1,000,000.00
		$3,000,000.00

Funding is allocated as outlined above. The % used for these categories has been evaluated this year and may vary for the future years depending on the analysis of the communities' five year plans.

Section IV

Recommended Projects

2014 Board Recommendations
2015/2016 Delivery

*** Note:** Legislative projects are recommended by departmental staff and are not reviewed and recommended by Capital Approval Board members.

Category #1 – Legislative

Cormorant	Lagoon Construction Phase 1	1,000,000.0
Cormorant	WTP South Upgrade	280,000.00
Gods Lake Narrows	STP Construction Phase 2	1,752,000.0
Norway House	WDS Phase 1	1,080,000.0
Norway House	Lagoon Upgrade (E&D)	300,000.0
	Total Recommended Amount	**$4,412,000.00**

Category #2 – Maintaining/Replacing Existing Infrastructure

Community	**Project**	**Cost**
Berens River	PW Truck Replacement	14,156.0
Berens River	Sewer Truck	59,773.0
Pine Dock	Sewer Truck Replacement	51,927.0
Cross Lake	Turn Out Gear	32,752.0
Norway House	Raw Water Intake	69,384.0
	Total recommended Amount	**$227,992.0**
	Grand Total	**$4,639,992.0**